

**MINUTES**  
**OF THE**  
**GOVERNMENT CONTRACT**  
**REVIEW COMMITTEE**

**December 8, 1998**

The Government Contract Review Committee met on Tuesday, December 8, 1998 at 10:00 AM, in Room 125 of the Capitol Annex. Representative Marshall Long, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Marshall Long, Chairman; Senators Barry Metcalf, Denny Nunnolley, and Eck Rose; and Representatives Jesse Crenshaw; Drew Graham; and Bob Heleringer.

LRC Staff: Michael Meeks, Joseph Hood, Kim Eisner, and Nancy Smith.

A motion was made by Senator Metcalf and seconded by Senator Nunnolley to approve the Minutes of the November 10, 1998 meeting. The motion passed unanimously.

A motion was made by Representative Graham and seconded by Senator Metcalf to approve the Routine Contract list with the exception of #16, between the Kentucky Higher Education Student Loan Corporation and Idaho Financial Services, PS# 98-003. The motion passed unanimously

A motion was made by Senator Metcalf and seconded by Representative Graham to approve the Routine K.A.P.S. Contract list. The motion passed unanimously.

A motion was made by Senator Metcalf and seconded by Representative Graham to approve the Routine Memoranda of Agreement list with the addition of the Cabinet for Economic Development and RiverPark Center, Inc. agreement, #EDC-8 and the exception of #83, between the Department of Parks and Boyle County, DOP1004. The motion passed unanimously.

A motion was made by Senator Metcalf and seconded by Representative Graham to approve the Amendments list with the addition of the University of Kentucky and Sherman-Carter-Barnhart, A981080. The motion passed unanimously.

A motion was made by Senator Metcalf and seconded by Representative Graham to approve the K.A.P.S. Amendment list. The motion passed unanimously.

A motion was made by Representative Graham and seconded by Senator Metcalf to approve the Memoranda of Agreement Amendments with the exception of #2, between the Department of Education and Caldwell County Schools (Linda Granstaff), #20268; and #3, Department of Education and Livingston County Board of Education (Deborah Bell), #19626. The motion passed unanimously.

The following ROUTINE contracts  
were APPROVED:

AGRICULTURE:

Rodney Dempsey, 990321.

COUNCIL ON POSTSECONDARY EDUCATION:

Western Cooperative for Educational Telecommunications, 990348.

EASTERN KENTUCKY UNIVERSITY:

Independent Living Resources, Inc., 99-086; James L. Nice, 99-058; Travis Fritsch, 99-073; Lynn S. Kelly, 99-074; Jefferson County Board of Education, 99-082.

FINANCE / ENGINEERING:

Myers Jolly Architects, 995339; Haworth, Meyer, and Boleyn, 995340; McIlwain d/b/a, Morgan & Associates, 995388.

FINANCE AND ADMINISTRATION CABINET:

Branscum Construction Company, Inc., 990355; MULTI , 990334.

KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM:

Hay Management Consultants, 990339.

KENTUCKY DEVELOPMENTAL DISABILITIES COUNCIL:

Community and Employment Opportunities, 990320.

KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION:

Pricewaterhouse Coopers LLP, 98-003; Idaho Financial Services, 98-004.

KENTUCKY LOTTERY CORPORATION:

WTS, Inc. d/b/a Carlson Wagonlit Travel, 99-98-156.

KENTUCKY STATE FAIR BOARD:

William Munford, 990335.

LEGISLATIVE RESEARCH COMMISSION:

Stone-Pregliasco-Haynes-Buba, LLP, 99-26.

NORTHERN KENTUCKY UNIVERSITY:

Brailsford & Dunlavey and Paradigm Consulting, 99-334.

PARKS, DEPARTMENT OF:

Mark Faust, 990337.

TRANSPORTATION CABINET:

Birch, Trautwein & Mims, Inc., Ag# 299899; Brown, Todd & Heyburn, 981256; Presnell Associates, 981339.

UNIVERSITY OF KENTUCKY:

William M. Mercer, Inc., K99-158; DSI, K99-157.

UNIVERSITY OF LOUISVILLE:

Moore Business Communication Services, 99-41.

WESTERN KENTUCKY UNIVERSITY:

J & H Marsh McLennan, 31-98; BD III Engineers, Inc., 32-98.

WORKERS COMPENSATION FUNDING COMMISSION:

Booke Seminars, 990340.

WORKFORCE DEVELOPMENT CABINET:

Brighton Center, 990352.

The following ROUTINE K.A.P.S. contracts  
were APPROVED:

EDUCATION, DEPARTMENT OF:

Very Special Arts KY, PS995307.

FAMILIES AND CHILDREN, CABINET FOR:

Hanner, Charles W, PS991216; Randle, Barbara, PS991221; Goodwill Ind Of KY, PS995285; Union College, PS995291; Opportunity Workshop, PS995346.

The following ROUTINE MEMORANDA OF AGREEMENT  
were APPROVED:

CORRECTIONS, DEPARTMENT OF:

City of Louisville, COR-001; Pennyroyal Regional Mental Health, 21087.

DEPARTMENT OF JUVENILE JUSTICE:

Workforce Development., Dept. for Technical Education, 21056.

ECONOMIC DEVELOPMENT, CABINET FOR:

Green County Fiscal Court, EDC-7; RiverPark Center, Inc., EDC-8.

EDUCATION, DEPARTMENT OF:

Jefferson County Public Schools (Julianne Tuell), 21212; Central Kentucky Education Cooperative, 21091; Pulaski Co. Board of Education, 21117; Covington Ind. Board of Education, 21118; Monroe County Board of Education, 21124; Madison County Board of Education, 21125; Hart County Board of Education, 21126; Northern KY Educational Cooperative, 21136; Floyd County Board of Education, 21149; West KY Educational Cooperative, 21151; 21191; 21208; 21211; Daviess County Board of Education, 21152; Fleming County Board of Education, 21153; Breckinridge County Board of Education, 21155; Carroll County Board of Education, 21162; Badgett Regional Education Center, 21163; Boyd County Board of Education, 21181; 21216; Hardin County Board of Education, 21182; Clinton County Board of Education, 21184; Powell County Board of Education, 21185; Spencer County Board of Education, 21186; Pike County Board of Education, 21187; Warren County Board of Education, 21205; 21217; Harrison County Board of Education, 21209; Jefferson County Public Schools (Julie Wilson), 21213; Rowan County Board of Education, 21214; Carter County Board of Education, 21215; Jefferson County Board of Education, 21174.

FINANCE AND ADMINISTRATION, CABINET FOR:

City of Louisville; Jefferson County, 21109; City of Elizabethtown; Hardin County, 21110; Owen Co. Industrial Development Corp., 21115; Ohio County Water District, 21116.

FISH AND WILDLIFE, DEPARTMENT OF:

U. S. Fish & Wildlife Service, 21203.

HEALTH SERVICES, CABINET FOR:

City of Bardstown, 21095;

Henderson County Board of Education, 21096.

HEALTH SERVICES, CABINET FOR:

Paris Independent Board of Education, 21094; Green River District Health Department, 21097; Boyd/Greenup Co. for a Drug Free KY; Pathways, Inc., 21098; Campbellsville Board of Education, 21099; Lincoln County Board of Education, 21100; Administrative Office of the Courts, 21101.

KY DEPT FOR ADULT EDUCATION AND LITERACY:

KCTCS - Technical Institutions Branch, 21061; Ohio Valley Educational Cooperative, 21063; Logan County Board of Education, 21064; Bell County Board of Education, 21068; Ashland Independent Board of Education, 21069; Bullitt County Public Schools, 21072; Pike County Board of Education, 21075.

LOCAL GOVERNMENT, DEPARTMENT FOR:

Kentucky Housing Corporation, 21058; Cave City, DLG310017; Lee County, DLG310025; City of Mount Olive, DLG310027; City of Louisville, DLG310030; DLG310046; DLG317521; City of Ashland, DLG310032; Marshall County, DLG310035; Nicholas County, DLG310044; Robertson County, DLG310050; Sanitation District No. 1, DLG310076; Breathitt County, DLG310139; Harlan County, DLG310502; DLGCS017; City of Blackey, DLG317502; Murray State University, DLG317516; City of Campbellsville, DLG317702; City of Kevil, DLG438639; Leslie County, DLGCS025; Pike County, DLGCS028; City of Shively, DLGH0092.

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET:

Breckinridge County Fiscal Court, 21103; Franklin County Schools, 21210; Eastern Kentucky University, NREPC0040; Our Lady of Bellefonte Hospital, NREPC0041.

PARKS, DEPARTMENT OF:

Boyle County, DOP1004.

TOURISM DEVELOPMENT CABINET:

City of Dawson Springs / County of Hopkins, TDC 9.

TRANSPORTATION CABINET:

Finance and Administration Cabinet, TC65478.

The following AMENDMENTS  
were APPROVED:

AGRICULTURE:

God's Pantry, 990131; Kentucky Food Bank, 990132; Dare to Care, 990110.

FINANCE AND ADMINISTRATION, CABINET FOR:

Louisville Resource Conservation Council, 990194.

FINANCE/ENGINEERING:

Biagi, Chance, Cummins, London, Titzer, Inc., 944038; Collignon & Nunley Architects, 985020.

HEALTH SERVICES, CABINET FOR:

Kentucky Disabilities Coalition, 990153.

KENTUCKY KARE HEALTH INSURANCE AUTHORITY:

Health Data Solutions, 990333.

KENTUCKY LOTTERY CORPORATION:

Masterclean Systems, Inc., 99-97-309.

KENTUCKY REAL ESTATE APPRAISERS BOARD:

M. Wilson & Associates, 990093.

MURRAY STATE UNIVERSITY:

William M. Mercer, Inc., 013-99-2.

NORTHERN KENTUCKY UNIVERSITY:

ComNet Marketing Group, Inc., 99-277.

PERSONNEL CABINET:

William M. Mercer, 990261.

TRANSPORTATION CABINET:

William R. Cox, 003382; Wallace L. McConnell, SRA, 003383; Ogden Environmental, Ag# 159596; Cultural Resource Analysts, Inc., Ag# 379495; James E. Tramel, 002176; The Corradino Group, Ag# 398687; William L. Berkley, 02111; George Joseph Hays, 5363; Robert E. Knight, 5364; Vaughn & Melton Consulting Engrs (KY), Inc., Ag# 399596; George K. Cox, 7525; Haworth, Meyer & Boleyn, Ag# 329091 / 970184; Ag# 249798; Ag# 459596; Baker Engineering Unlimited, Inc., Ag# 439394; Commonwealth Technology, Inc., Ag# 169394; Parsons, Brinckerhoff, Quade and Douglas, Inc., Ag# 559293; Balke Engineers, Ag# 369394; Delphus R. Hood, 7291; Bernardin, Lochmueller & Associates, Ag# 239798; TRW, Inc., Ag# 459798; Harold Brantley, MAI, 05359; WMB, Inc., Ag# 268788; Ag# 258788; BRW, Inc., Ag# 019798; Quest/Witt Engineers, Ag# 359697; Gary R. Murphy, 11302; James-Winstead & Assoc., Inc., Ag# 019394; Andrew M. Stephens & Associates, 980649; Reed, Weitkamp, Schell & Vice, 980888.

UNIVERSITY OF KENTUCKY:

Shield Environmental Associates, A96-1270; Staggs & Fisher Consulting Engrs., A96-1320; Deloitte & Touche LLP, K99-103; K99-135; Collignon and Nunley, Architects, P.S.C., A94116; Pearson / Bender Associates, A981130; Sherman-Carter-Barnhart, A981080.

UNIVERSITY OF LOUISVILLE:

William Mercer, Inc., 99-32.

The following K.A.P.S. AMENDMENTS  
were APPROVED:

HEALTH SERVICES, CABINET FOR:

Deloitte And Touche, PS995140/CO032592; Price Waterhouse Coopers, PS995212/CO032473.

INSURANCE, DEPARTMENT OF:

Milliman And Robertson, PS995232/CO032194; Tillinghast, PS995233/CO032192; Hyers And Levy, PS995271/CO032607.

The following MEMORANDA OF AGREEMENT AMENDMENTS  
were APPROVED:

ADULT EDUCATION AND LITERACY, DEPARTMENT FOR:

Simpson Co. Board of Education, 20686.

EDUCATION, DEPARTMENT OF:

Livingston Co. Board of Education (Deborah Bell), 19626; Caldwell County Schools (Linda Granstaff), 20268.

FAMILIES AND CHILDREN, CABINET FOR:

KY River Foothills Development Council, 19817; Community Action Council Lexington - Fayette, 19836; Barren River ADD, 19858; Bluegrass Regional MH/MR, 20113; Big Sandy Area Development District, 20177; 20240; Purchase ADD, 20188; Kentucky Association for Community Action, 20363.

FINANCE AND ADMINISTRATION, CABINET FOR:

Lincoln Trail ADD, 20141.

HEALTH SERVICES, CABINET FOR:

Seven Counties Services, Inc., 19928; Western Kentucky MH/MR, 19929; Bluegrass Regional MH/MR, 19947; Lifeskills, Inc., 19993.

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET:

Pulaski County Schools, 19192; Modern Horselogging and Lumber LLC, NREPC0036.

WORKFORCE DEVELOPMENT CABINET:

Department for Employment Services, 19083.

The following CONTRACT was PULLED  
from the ROUTINE CONTRACT LIST:

KENTUCKY HIGHER EDUCATION  
STUDENT LOAN CORPORATION:

Idaho Financial Services, PS# 98-008

Ms. Betty Barker and Ms. Sherry Cooper, Kentucky Higher Education Student Loan Corporation, discussed the contract with the committee. Chairman Long asked if there was anyone in the state of Kentucky who could perform this service. Ms. Cooper stated that the student loans were very specialized because the loans are so heavily federally regulated and that there are many things that have to be done to keep the insurance on the loans. In 1993 or 1994, the corporation contracted and bought the license for this software through the Idaho Financial group and there are about 8 other states that work in consortium, so instead of costing \$75.00 per hour to get the programming, the agency will typically pay \$15.00 an

hour, and each state is working under the same due diligence requirements. Chairman Long asked if the agency is currently paying \$75.00 per hour. Ms. Cooper stated that \$75.00 was the most that her agency would pay, if the vendor was asked to perform work outside the consortium. She stated that the contract indicates what the cost will be, depending on how many people are in the group and typically, when the whole group requests a task to be performed, then the cost is about \$15.00 per hour. A motion was made by Senator Metcalf and seconded by Representative Graham to approve the contract. The motion passed unanimously.

The following AGREEMENTS were PULLED  
from the ROUTINE MEMORANDA OF AGREEMENT LIST:

ECONOMIC DEVELOPMENT, CABINET FOR  
RiverPark Center, Inc., EDC-8.

Mr. Gene Fuqua, Cabinet for Economic Development, discussed the contract with the committee. Chairman Long stated that he didn't have a problem with the contract itself, but expressed concern about the untimely filing of the contracts. Mr. Fuqua stated that his agency processes all of the memoranda of agreement as expeditiously as possible. This particular line item had problems related to knowledge of where the money specifically was to be directed. When this information was received, he sent it on to the Government Contract Review Committee. He stated that his job was purely administrative in nature and that if the committee did not want to take it up at a certain meeting, that is the committee's prerogative; his office simply gets the agreements over to the committee as quickly as possible. Chairman Long stated that, whoever is on the committee after the first of the year, will have the same problems. Chairman Long also stated that along about 2 days before the meeting, he started getting calls from legislators, asking whether certain contracts are on the committees meeting list. Mr. Fuqua said that the no agreements were held up and that the agency may well have waited until January to send it over to the committee, but Legislators want agreements process as quickly as possible. Chairman Long stated that he was simply asking them to make a timely exchange of the information so that the staff can get the contracts well in advance of the meeting. A motion was made by Senator Metcalf and seconded by Representative Graham to approve the contract. The motion passed unanimously.

PARKS, DEPARTMENT OF  
Boyle County, DOP1004.

Mr. Bob Bender, Department of Parks, Mr. Don Kelly, Chairman of the Perryville Battlefield Commission, and State Representative Jim Zimmerman, discussed the contract with the committee. Representative Heleringer stated that he had pulled the contract because of the description and also concerned about the word development. Representative Zimmerman stated that he had a conversation with Representative Heleringer recently and proceeded to explain the history of the Perryville Battlefield in detail. Mr. Bender stated that in 1982, there was a 7,000 acre tract that was designated by the National Park Service as a National Historic landmark, which in effect, puts a moratorium on the ability to develop certain types of developments in that area. It also placed a burden on the Commission to try



to preserve as much of the land for the future citizens of the Commonwealth. The agency has put together a \$10 million dollar program of projects that they would like to see funded over the next several years, not by just state government, but by private industries, the National Park service, the Association for Preservation for Civil War sites, the different preservation agencies. Mr. Bender testified that they recently retained a nationally recognized consultant, John Milner and Associates, to help put together interpretative and master plan. Representative Heleringer asked if any of the money requested was to be used for purchase of property and how much of the property was still privately owned. Mr. Bender stated that they had acquired 9 properties at this point, with 25 others that they want to acquire. Mr. Bender testified that purchasing the property is not the problem, it is being able to take those buildings that are 140 or 150 years old and make sure they have adequate roofing on them so they don't leak and the foundations don't collapse, and that they get everything in a stable environment so that as to develop the project. Representative Heleringer asked if this appropriation was going for anything specific other than to further all the project. Mr. Bodner stated that they have about 8 items which were listed priorities. A motion was made by Representative Heleringer and seconded by Senator Metcalf to approve the contract. The motion passed unanimously.

The following AMENDMENTS were PULLED  
from the MEMORANDA OF AGREEMENT AMENDMENT LIST:

EDUCATION, DEPARTMENT OF

Caldwell County Schools (Linda Granstaff), 20268; and Livingston County Board of Education (Deborah Bell), 19626.

Mr. Glen Bradt, Department of Education, discussed the contract with the committee. Representative Heleringer asked what positions these vendors held. Mr. Bradt stated that one of the positions is a Field Consultant in Region 1 whose specialty is in curriculum and the other is a Field Consultant in the same Region for school based decision making. Representative Heleringer asked whom they consulted with. Mr. Bradt stated that they consult with the local school districts, teachers, superintendents and on down, about problems they will have, solutions to problems, and most recent things available in their particular areas. Representative Heleringer asked if the two employees were retired. Mr. Bradt stated that they were not to his knowledge. Representative Heleringer asked if they were getting \$50,000 a year plus some salary from the Department of Education. Mr. Bradt explained their salary structure, payment and work schedule, and funding source. Representative Heleringer asked how these individuals were selected. Mr. Bradt stated that he was not an expert on this part of the contracting. Representative Heleringer stated that he was simply looking for something to justify paying \$50,000 a year to a teacher to go down and consult with a school board. Mr. Bradt stated that these individuals work, not in just one county, they actually work out of the Regional Service Center in Region 1 and there are multiple counties involved that they consult with and work with the teaching staffs and administrative staffs in all of those districts. Senator Metcalf asked if the salary increase was based upon the increase of overall days. Mr. Bradt stated that the salary increase was

based on the fact that the local board voted and increased the salary range for all of the teachers in that particular district. Representative Heleringer asked Mr. Bradt to give an example of a particular problem that one of these teachers would provide consultation. Mr. Bradt provided such example. Representative Heleringer stated that he didn't have the problem with the Department of Education, it is the consultants and the millions of dollars that the Commonwealth spends on consultants that presents the problem. Senator Metcalf asked how many people were involved in Adult Literacy in these two areas. Mr. Bradt stated that he didn't have an answer, but could get the answer. A motion was made by Senator Rose and seconded by Representative Graham to approve the contract. The motion passed with Representative Heleringer and Senator Metcalf voting NO.

Chairman Long stated that since this is the last meeting for most of the committee, he wanted to show his appreciation for the work of Senator Nunnelley, Senator Metcalf, Senator Rose, and Representative Graham. He said that this committee has a reputation of being a watch dog for the states money, and he recognized Senator Rose, who has served on this committee from the beginning. Chairman Long then presented a plaque to Senator Nunnelley, Senator Metcalf, Senator Rose, and Representative Graham, for all their hard work and dedication to the committee. Chairman Long went on to say that the legislature will truly miss these four outstanding legislators, they have done a great job, not only on this committee but during their legislative tenure. Chairman Long also said that he would like to thank the staff for all their hard work and the fact that when House Bill 460 passed, their workload tripled and recognized that the staff has done a great job of keeping everything together.

Michael Meeks then presented Chairman Long with a Government Contract Review Committee 1998 Appreciation Award that read, "The members of the Government Contract Review Committee of the Legislative Research Commission hereby recognizes Representative Marshall Long for demonstrating extraordinary diligence, dedication, and devotion, and for outstanding service as Chairman of the Government Contract Review Committee.

Senator Metcalf said that it had been an honor and pleasure to serve with Chairman Long, and the Senate will benefit from his experience, insight, and dedication along with his sense of good humor.

Senator Rose stated that this committee was created in 1978 General Assembly, and it was his pleasure to be an appointee. When he considers all the committees and all the things he has been involved in for the past 21 years, this committee stands out as one of the most effective for what it was created to do, and he thinks this is primarily due to the many people who have served on the committee, and also the Chairman of this committee. He stated that Chairman Long's service has been great and following in the line of the preceding Chairmen, and that this is the reason the committee has been effective. He said that it has been his pleasure to serve all this time.

Representative Graham said he appreciated the opportunity to serve with Chairman Long for the last six years, and that he does not think that there is any other more respected individual in the legislature.

Chairman Long announced that the next meeting would be held on January 12, 1999, 10:00 a.m.

The meeting was adjourned at 10:40 a.m.